

JS-6

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

CHARLES WINN LLC, AARON
DAVID SCOTT-BRITTEN, aka
AARON DAVID, AARON SCOTT,
and AARON DAVID K. BRITTEN,
OHRAN EMMANUEL STEWART,
aka ELLIOTT STEWART, CASEY
ALEXANDER, and CHARLIE JAKE
SMITH,

Defendants.

Case No. 2:23-cv-02988 FMO (Ex)

**FINAL JUDGMENT OF
DEFENDANT CHARLIE JAKE
SMITH**

The Securities and Exchange Commission having filed a Complaint and Defendant Charlie Jake Smith having entered a general appearance; consented to the Court's jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein in paragraph V); waived findings of fact and conclusions of law; and waived any right

1 to appeal from this Final Judgment:

2 I.

3 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is
4 permanently restrained and enjoined from violating Sections 17(a)(2) and 17(a)(3) of
5 the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. §§ 77q(a)(2), 77q(a)(3)]
6 in the offer or sale of any security by the use of any means or instruments of
7 transportation or communication in interstate commerce or by use of the mails,
8 directly or indirectly:

9 (a) to obtain money or property by means of any untrue statement of a
10 material fact or any omission of a material fact necessary in order to
11 make the statements made, in light of the circumstances under which
12 they were made, not misleading; or

13 (b) to engage in any transaction, practice, or course of business which
14 operates or would operate as a fraud or deceit upon the purchaser.

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
16 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
17 binds the following who receive actual notice of this Final Judgment by personal
18 service or otherwise: (a) Defendant’s officers, agents, servants, employees, and
19 attorneys; and (b) other persons in active concert or participation with Defendant or
20 with anyone described in (a).

21 II.

22 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
23 Defendant is permanently restrained and enjoined from violating Section 5 of the
24 Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any
25 applicable exemption:

26 (a) Unless a registration statement is in effect as to a security, making use of
27 any means or instruments of transportation or communication in
28 interstate commerce or of the mails to sell such security through the use

1 or medium of any prospectus or otherwise;

2 (b) Unless a registration statement is in effect as to a security, carrying or
3 causing to be carried through the mails or in interstate commerce, by any
4 means or instruments of transportation, any such security for the purpose
5 of sale or for delivery after sale; or

6 (c) Making use of any means or instruments of transportation or
7 communication in interstate commerce or of the mails to offer to sell or
8 offer to buy through the use or medium of any prospectus or otherwise
9 any security, unless a registration statement has been filed with the
10 Commission as to such security, or while the registration statement is the
11 subject of a refusal order or stop order or (prior to the effective date of
12 the registration statement) any public proceeding or examination under
13 Section 8 of the Securities Act [15 U.S.C. § 77h].

14 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
15 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
16 binds the following who receive actual notice of this Final Judgment by personal
17 service or otherwise: (a) Defendant's officers, agents, servants, employees, and
18 attorneys; and (b) other persons in active concert or participation with Defendant or
19 with anyone described in (a).

20 III.

21 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that
22 Defendant is liable for disgorgement of \$55,244, representing net profits gained as a
23 result of the conduct alleged in the Complaint, together with prejudgment interest
24 thereon in the amount of \$7,665.64, for a total of \$62,909.64. Based on Defendant's
25 sworn representations in his Statement of Financial Condition dated February 22,
26 2024 and amended March 13, 2024, and other documents and information submitted
27 to the Commission, however, the Court is not ordering Defendant to pay a civil
28 penalty and payment of all of the disgorgement and pre-judgment interest thereon is

1 waived. The determination not to impose a civil penalty and to waive payment of the
2 disgorgement and pre-judgment interest is contingent upon the accuracy and
3 completeness of Defendant's Statement of Financial Condition. If at any time
4 following the entry of this Final Judgment the Commission obtains information
5 indicating that Defendant's representations to the Commission concerning his assets,
6 income, liabilities, or net worth were fraudulent, misleading, inaccurate, or
7 incomplete in any material respect as of the time such representations were made, the
8 Commission may, at its sole discretion and without prior notice to Defendant, petition
9 the Court for an order requiring Defendant to pay the unpaid portion of the
10 disgorgement, pre-judgment and post-judgment interest thereon, and the maximum
11 civil penalty allowable under the law. In connection with any such petition, the only
12 issue shall be whether the financial information provided by Defendant was
13 fraudulent, misleading, inaccurate, or incomplete in any material respect as of the
14 time such representations were made. In its petition, the Commission may move this
15 Court to consider all available remedies, including, but not limited to, ordering
16 Defendant to pay funds or assets, directing the forfeiture of any assets, or sanctions
17 for contempt of this Final Judgment. The Commission may also request additional
18 discovery. Defendant may not, by way of defense to such petition: (1) challenge the
19 validity of the Consent or this Final Judgment; (2) contest the allegations in the
20 Complaint filed by the Commission; (3) assert that payment of disgorgement, pre-
21 judgment and post-judgment interest or a civil penalty should not be ordered; (4)
22 contest the amount of disgorgement and pre-judgment and post-judgment interest; (5)
23 contest the imposition of the maximum civil penalty allowable under the law; or (6)
24 assert any defense to liability or remedy, including, but not limited to, any statute of
25 limitations defense. Defendant shall also pay post-judgment interest on any
26 delinquent amounts pursuant to 28 U.S.C. § 1961.

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IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Consent is incorporated herein with the same force and effect as if fully set forth herein, and that Defendant shall comply with all of the undertakings and agreements set forth therein.

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the allegations in the complaint are true and admitted by Defendant, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Defendant under this Final Judgment or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Defendant of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

VI.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for the purposes of enforcing the terms of this Final Judgment.

Dated: April 8, 2024

/s/ Fernando M. Olguin
UNITED STATES DISTRICT JUDGE